(d) the steps being taken to clear the pending cases and how much time it will take to clear the backlog?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY): (a) 130 applications are pending for declaration as Nidhi Company under section 620 A of the Companies Act, 1956.

(b) to (d) The latest guidelines in respect of Nidhi Companies were issued on 26th July, 2001 vide Notification Nos GSR 555(E) and 556(E). After issue of these Notifications, number of representations have been received from potential Nidhi Companies, Chamber of Nidhis and Chamber of Benefit Funds. The Chamber of Nidhis and Chamber of Benefit Funds as also few potential Nidhi companies have, *iter-alia,* requested for extension of time for increasing the value of shares, extension of time for achieving ratio of Net Owned Fund to deposits, prudential norms and percentage of loan on immovable property etc. The various representations have been examined. Majority of the potential Nidhi companies requesting for Nidhi status under section 620 A of the Companies Act, 1956 have been found to be not complying with one or more than one conditions of the Notifications dated 26.7.2001. A final view will be taken in respect of all the pending applications on merits at an early date.

Article captioned "wake up call for deepartment of Company Affairs"

1450. SHRTI B.J. PANDA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) Whether his attention has been drawn to the article captioned "Wake up call for Department of Company Affairs" by Sucheta Dalal, which appeared in the Financial Express (Kolkata Edition), dated 1st October 2001;

(b) Whether any initiative to investigate the evidence of collusion between brokers and companies to inflate prices and dump the stocks on friendly mutual funds has been made;

(c) Whether the story relating to DSQ Software and Vikas WSP proves correct; and

(d) The steps taken to prevent this practice?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITELY): (a) to (d) Inspection of M/s. DSQ Software and M/s. Vikas WSP has been ordered under section 209A of the Companies Act, 1956.